Floating of private sector banks

222. SHRI VIRENDRA KATARIA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have received many applications from various Finance Companies seeking permission to float private sector banks;

(b) the names of the companies who have submitted proposals and whether permission has been granted to them; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY): (a) to (c) Reserve Bank of India (RBI) has reported that it has received 21 applications from various finance companies to set up new banks in the private sector, the names of which are given in the enclosed statement (*see* below). Out of these licences have been issued to two applicants viz. Centurion Bank Ltd. (promoter 20th Century Finance Corporation Ltd) and IndusInd Bank Ltd (promoter IndusInd Enterprises and Finance Ltd).

RBI has further reported that five applications have been rejected as the antecedents and functioning of these companies were not found to be satisfactory.

Statement

Request received from various financial companies to set up new banks of private sector

1. 20th Century Finance Corporation Ltd.
2. IndusInd Enterprises & Finance Ltd.
3. Peerless General Finance and Investments Ltd.
4. Sahara India Financial Corporation Ltd.
5. Ross Morarka Finance Ltd.
6. Padmaja Financial Services Ltd.
7. Raunaq Finance Ltd.
8. ITC Classic Finance Ltd.
9. Reliance Capital and Finance Trust Ltd.
10. Ispat Finance Ltd.
11. The CRB Capital Markets Ltd.
12. Diadam Investment & Finance Ltd.
13. Cox & King Finance Ltd.
14. Gujarat International Holdings Ltd.
15. Indian Seamless Financial Services Ltd.
16. Apple Industries Ltd.
17. Birla Growth Fund Ltd.
18. SREI International Finance Ltd.
19. Hathway Investments (Pvt.) Ltd.
20. Som Datt Finance Corporation Ltd.
21. Mahadev Leasing Company Ltd.

Introduction of Debt Relief Scheme

223. SHRI BHAGABAN MAJHI: Will the Minister of FINANCE be please to state:

(a) the date of the introduction of Debt Relief Scheme;

(b) the States where the scheme is being implemented;

(c) whether the scheme is being sponsored in Orissa; and

(d) if so, the fund released to that State from 1st January, 1994 till 30th June, 1995?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY): (a) to (c) the Agricultural and Rural Debt Relief (ARDR) Scheme, 1990, formulated by the Government of India came into force with effect from 15th May, 1990 and pertained to public sector banks and regional rural banks. It was implemented in all the states and Union